

Message Text

UNCLASSIFIED

PAGE 01 MADRID 04212 271041Z

15

ACTION ABF-01

INFO OCT-01 EUR-06 ADP-00 FSE-00 OPR-02 A-01 /011 W

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R 271009Z JUL 73

FM AMEMBASSY MADRID

TO SECSTATE WASHDC 6303

UNCLAS MADRID 4212

E.O. 11652: N/A

TAGS: AFIN SP

SUBJECT: DOLLAR POWER

REF: STATE 64216

AS OF JULY 26, 1973, EXCHANGE RATES ARE:

A. PESETAS 56.64 TO \$1.00 FOR OFFICIAL TRANSACTIONS.

B. GOS HAS ADOPTED POLICY OF MAINTAINING THE PESETA ON PARITY WITH GOLD DURING OCCASIONS WHEN THE DOLLAR IS DEVALUED. AS A RESULT OF DEVALUATIONS BETWEEN AUGUST 1971 AND JULY 25, 1973, THE DOLLAR HAS LOST 23.6 PERCENT OF ITS VALUE IN RELATION TO THE PESETA. THE DOLLAR/PESETA EXCHANGE RATE IS PRESENTLY AT THE LOWEST POSSIBLE LEVEL IN TERMS OF THE IMF FLUCTUATION BANDS. ANY FURTHER MOVEMENT WOULD SIGNIFY A FLOATING OF THE PESETA. IN VIEW OF INFLATION IN SPAIN, WHICH IS CURRENTLY RUNNING AT ANNUAL RATE OF 18 PERCENT, IT SEEMS THAT ANY FUTURE MOVES ON PART OF GOS TO CONTAIN INFLATION WILL INCLUDE FLOATING OF THE PESETA AND THE CONCOMITANT FURTHER DEVALUATION OF THE DOLLAR IN RESPECT TO THE PESETA.

C. PESETAS 56.64 TO \$1.00 RATE OF EXCHANGE USED FOR PERSONAL TRANSACTIONS.

D. SAME AS B ABOVE.
RIVERO

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 27 JUL 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973MADRID04212
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: MADRID
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t1973078/aaaaafjh.tel
Line Count: 52
Locator: TEXT ON-LINE
Office: ACTION ABF
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
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Page Count: 1
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 73 STATE 64216
Review Action: RELEASED, APPROVED
Review Authority: martinjw
Review Comment: n/a
Review Content Flags:
Review Date: 29 NOV 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <29-Nov-2001 by phillir0>; APPROVED <29-Jan-2002 by martinjw>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: DOLLAR POWER
TAGS: AFIN, SP
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005